

**Minutes of the Meeting of the
LOCAL Television Loan Guarantee Board
May 27, 2003**

The meeting of the LOCAL Television Loan Guarantee Board (“Board”) was held via telephone conference call on Tuesday, May 27, 2003. Board Chairman Brian Roseboro called the meeting to order at 10:30 a.m.

The following people were present at the meeting:

Board

Brian C. Roseboro, Board Chairman and Assistant Secretary for Financial Markets
U.S. Department of the Treasury

Hilda Gay Legg, Administrator, Rural Utilities Service (RUS)
U.S. Department of Agriculture

Nancy J. Victory, Assistant Secretary for Communications and Information and
Administrator, National Telecommunications and Information Administration (NTIA)
U.S. Department of Commerce/NTIA

Edward M. Gramlich, Governor
Federal Reserve Board

Others

Department of Agriculture

Jonathan Claffey, Deputy, Assistant Administrator – Telecommunications Program, RUS
Michael Thieman, Special Assistant to the Administrator, RUS
Terence Brady, Acting Assistant General Counsel, Rural Utilities Division
Georgann Gutteridge, Attorney, Rural Utilities Division
Richard Anderson, Telecommunications Program Analyst – RUS
Jacqueline Rosier, Board Secretary and Management Analyst – Telecommunications
Program, RUS
Damian Garcia, Intern
Nathan Parsons, Intern

Department of Commerce

Milton Brown, Deputy Chief Counsel, NTIA
Daniel Cohen, Chief Counsel for Regulation

Federal Reserve Board

John Lopez, Special Assistant to Board
Michael Waldron, Counsel
Daniel Covitz, Economist

Department of the Treasury

Preston Atkins, Financial Economist

Jeff King, Attorney Advisor

Chairman Roseboro confirmed each Board Member's presence on the call and welcomed and thanked everyone participating in the teleconference meeting. He confirmed that each Board Member had received the meeting briefing materials. He then gave an overview of the meeting agenda.

Next, Chairman Roseboro announced that the first agenda item was procurement sensitive. He then chaired a closed meeting with Board Members and employees who had signed a Federal Employee Confidentiality Agreement. The Chairman introduced Mr. Jeff King who reported on the Working Group's recommendations regarding an external legal firm for the Board. After discussion, the Board unanimously voted to authorize RUS to work with Gov.Works to enter into contract as soon as possible with the selected law firm to serve the Board as independent legal counsel for the LOCAL Television Loan Guarantee Program (Program) and other tasks, as prescribed by the Board.

The Chair then reopened the meeting and presented a summary update of the Program. The Board discussed the summary.

The Board discussed the letter it received on May 9, 2003, from Mr. Marcus Peacock of the Office of Management and Budget (OMB) in response to the Board's request for OMB consultation on underwriting criteria for the Program. The Board agreed that the Chairman would contact Mr. Peacock on behalf of the Board to discuss and clarify the letter.

The Board then discussed agency staffing requirements for the Program. The Board directed the Working Group to finalize the Program's task and internal staff requirements and future funding and budget issues and to make a recommendation to the Board on these issues within 6 weeks.

The Board requested the Working Group to submit a monthly Program summary update to the Board.

Ms. Jacqueline Rosier presented a revised Program Implementation Timeline. The Board discussed the revisions and directed the Working Group to proceed expeditiously. The Board agreed that the Chairman would include timeline issues in his discussions with OMB.

The Board then heard an update on the contract with Ernst and Young presented by Mr. Milton Brown. The Board discussed the status of the contract and the recommendations submitted by the Contracting Officer's Technical Representative (COTR). The Board requested the recommendations to be included in a COTR report to the Board.

The Chairman thanked the Working Group staff for their work and indicated that the Working Group should feel free to contact any Board Member for assistance when needed. All Board Members concurred and the meeting was adjourned at 10:50 a.m.

Jacqueline G. Rosier
Board Secretary
LOCAL Television Loan Guarantee Board

The minutes were unanimously approved by the Board on June 12, 2003.